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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

**ENDONOVO THERAPEUTICS, INC.,  
a Delaware Corporation,**

Case No. 5:19-cv-00257-JAK-KK

Plaintiff.

V.

KVP INTERNATIONAL, INC., a California Corporation, ORTHOCOR MEDICAL, INC., a Delaware Corporation, and CAERUS CORP., a Minnesota Corporation,

**PLAINTIFF ENDONOVO'S  
MOTION TO DISMISS ALL  
CLAIMS WITHOUT PREJUDICE  
UNDER FED. R. CIV. P. 41(a)(2)**

Judge: Hon. John A. Kronstadt  
Courtroom: 10B  
Date: February 10, 2020  
Time: 8:30a

Action Filed: February 7, 2019  
Trial Date:

**MANNING & KASS**  
**ELIROD, RAMIREZ, TRESTER LLP**  
ATTORNEYS AT LAW

1 **TO DEFENDANT KVP INTERNATIONAL, INC. AND ITS ATTORNEYS  
2 OF RECORD:**

3 PLEASE TAKE NOTICE that on February 10, 2020, at 8:30 a.m., or as soon  
4 as the Motion may be heard at the United States District Court, located at  
5 Courtroom 10B, 350 W. First Street, Los Angeles, CA 90012, Plaintiff Endonovo  
6 Therapeutics, Inc. (“Endonovo” or “Plaintiff”) will move this Court, under Federal  
7 Rule of Civil Procedure 41(a)(2) for an order dismissing all parties’ claims without  
8 prejudice. This motion is made following the in person conference of counsel under  
9 L.R. 7-3, which took place on September 23, 2019, subsequent communications,  
10 and a telephonic meet and confer between counsel on October 3, 2019.

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13 DATED: October 8, 2019

**MANNING & KASS  
ELLROD, RAMIREZ, TRESTER LLP**

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16 By: /s/Lewis E. Hudnell, III

17 Roland Tong

18 Lewis E. Hudnell, III

19 Attorneys for Plaintiff

20 ENDONOVO THERAPEUTICS, INC.

1     **I. INTRODUCTION**

2                 Under Federal Rule of Civil Procedure 41(a)(2) Endonovo respectfully  
 3 requests that the Court dismiss without prejudice (1) Endonovo's claim that  
 4 Defendant KVP International, Inc. ("KVP") infringes U.S. Patent Nos. 7,740,574;  
 5 7758490; and 8,961,385 (collectively "the patents-in-suit"); and (2) KVP's  
 6 counterclaims for declaratory relief of non-infringement and invalidity of the  
 7 patents-in-suit. The requested dismissal resolves all pending claims in the action  
 8 and accordingly the action should be dismissed.

9     **II. STATEMENT OF FACTS**

10               Plaintiff Endonovo filed the Original Complaint on February 7, 2019 accusing  
 11 Defendants Caerus Corp., Orthocor Medical, Inc., and KVP of directly, indirectly,  
 12 and willfully infringing three of its patents (Dkt. No. 1). In response, Defendants  
 13 moved to dismiss the Complaint alleging improper venue and failure to state a  
 14 claim, or in the alternative, transfer. On April 8, 2019, Endonovo filed its First  
 15 Amended Complaint ("FAC") (Dkt. No. 27). On April 22, 2019, Caerus and  
 16 Orthocor ("the Caerus Defendants") again filed a motion to dismiss, or in the  
 17 alternative, transfer but this time moved to dismiss the FAC. (Dkt. No. 54)  
 18 Thereafter, Endonovo concurrently filed with its Opposition to Defendants' Motion  
 19 to Dismiss a voluntary dismissal of the Caerus Defendants and a proposed Second  
 20 Amended Complaint ("SAC") (Dkt. No. 70). This dismissal left KVP as the sole  
 21 remaining defendant in this case. On June 12, 2019, the Court denied Defendants'  
 22 motion to dismiss the FAC, ordered Endonovo to file a properly formatted SAC, and  
 23 ordered KVP to answer the SAC (Dkt. No. 77). Endonovo filed its Second  
 24 Amended Complaint ("SAC") on June 13, 2019 (Dkt. No. 78). KVP answered the  
 25 SAC with counterclaims on June 27, 2019 (Dkt. No. 83). On July 29, 2019, the  
 26 Court struck KVP's Answer and Counterclaims because the answer and  
 27 counterclaims were not filed as separate documents (Dkt. No. 91). On the same day,  
 28 KVP filed an Answer (Dkt. No. 93) and Counterclaims (Dkt. No. 92). In its

1 Counterclaims, KVP asserted non-infringement and invalidity of each of the  
 2 patents-in-suit.

3 On August 2, 2019, Endonovo filed a motion to dismiss KVP's counterclaims  
 4 for failing to satisfy the pleading standard (Dkt. No. 94). On September 23, 2019,  
 5 the Court granted Endonovo's motion in part and ordered KVP to file amended  
 6 counterclaims by October 7, 2019 (Dkt. No. 110). On October 7, 2019, KVP filed  
 7 its First Amended Counterclaims (Dkt. No. 111).

8 **III. ARGUMENT**

9 On July 25, 2019, Endonovo produced an Amended and Restated License  
 10 Agreement between Rio Grande Neurosciences ("RGN") and AAH Holdings, LLC  
 11 ("Assisi") dated October 1, 2016 ("the October 2016 License Agreement"). *See* Ex.  
 12 1. The October 2016 License Agreement is part of Endonovo's December 22, 2017  
 13 Form 8-K and is publicly available. *See, e.g.*,  
 14 <https://www.sec.gov/Archives/edgar/data/1528172/000149315217015035/ex10-2.htm>. Endonovo inherited the October 2016 License Agreement from RGN on  
 15 December 22, 2017 and the agreement covers the patents-in-suit. *See* Ex. 1 at  
 16 Appendix A.

17 Under the October 2016 License Agreement, Assisi is arguably a necessary  
 18 party to this case. *See, e.g.*, Ex. 1 at IV.F. Endonovo first raised this issue with  
 19 KVP on its own.<sup>1</sup> KVP has not disputed that Assisi is arguably a necessary party.  
 20 Hudnell Decl. at ¶ 3. Accordingly, for the purposes of this motion, Endonovo  
 21 assumes that the October 2016 License Agreement is valid and that Assisi is a  
 22 necessary party under the agreement.

23 Because the October 2016 License Agreement was available to KVP at the

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 26 <sup>1</sup> Because Endonovo raised this issue in the context of settlement communications  
 27 subject to Fed. R. Evid. 408, Endonovo has not included any of those  
 28 communications with this Motion. Similarly, Endonovo objects to KVP's use of  
 any of those communications in any response to this Motion.

1 time Endonovo filed its Complaint, KVP could have moved to dismiss this action  
 2 under Fed. R. Civ. P. 12(b)(7) based on the October 2016 License Agreement.  
 3 KVP, however, did not file such a motion. Accordingly, KVP waived this potential  
 4 defense. *See Humboldt Baykeeper v. Union Pac. R.R. Co.*, No. C 06-02560 JSW,  
 5 2009 U.S. Dist. LEXIS 48131, at \*6-8 (N.D. Cal. June 1, 2009) (stating that failure  
 6 to join necessary parties defense may be waived if objections are not made in the  
 7 first responsive pleading). Even if KVP had filed such a motion and the Court had  
 8 granted it, it is well settled that a dismissal under Rule 12(b)(7) is without prejudice.  
 9 *See Univ. of Pittsburgh v. Varian Med. Sys., Inc.*, 569 F.3d 1328, 1332 (Fed. Cir.  
 10 2009) (“[I]t is clear that a dismissal for failure to join a party is not an adjudication  
 11 on the merits, and thus, should not have preclusive effect—i.e., such a dismissal  
 12 should be without prejudice.”); *see also* Fed. R. Civ. P. 41(b).

13         Endonovo, however, could seek to join Assisi as a party under Fed. Rule Civ.  
 14 P. 19. KVP has not disputed that Assisi can be joined under Fed. R. Civ. P. 19.  
 15 Hudnell Decl. at ¶4. Endonovo, however, elects not to pursue a joinder motion.

16         Instead, to preserve the resources of the Court and the parties, Endonovo  
 17 voluntarily moves to dismiss its claims for patent infringement against KVP without  
 18 prejudice under Fed. R. Civ. P. 41(a)(2). Fed. R. Civ. P. 41(a)(2) provides that “an  
 19 action may be dismissed at the plaintiff’s request only by court order, on terms that  
 20 the court considers proper.” Fed. R. Civ. P. 41(a)(2). It also provides that “a  
 21 dismissal under this paragraph (2) is without prejudice.” *Id.*

22         With this motion, Endonovo unconditionally and irrevocably covenants not to  
 23 sue KVP for infringement of any claim of the patents-in-suit based on the products  
 24 that KVP is currently making, using, selling, offering for sale, or importing,  
 25 including but not limited to the accused products identified in the SAC, or the  
 26 products that KVP has made, used, sold, offered for sale, or imported, including but  
 27 not limited to the accused products identified in the SAC, at any time before the date  
 28 of this covenant. The dismissal of Endonovo’s infringement claims without

1 prejudice combined with Endonovo's covenant not to sue divests the Court of  
 2 jurisdiction over KVP's counterclaims. *See Super Sack Mfg. Corp. v. Chase*  
 3 *Packaging Corp.*, 57 F.3d 1054, 1058 (Fed. Cir. 1995) ("[A] patentee defending  
 4 against an action for a declaratory judgment of invalidity can divest the trial court of  
 5 jurisdiction over the case by filing a covenant not to assert the patent at issue against  
 6 the putative infringer with respect to any of its past, present, or future acts . . . .");  
 7 *Spicy Beer Mix, Inc. v. New Castle Bev., Inc.*, CV 14-00720 SJO (JEMx), 2014 U.S.  
 8 Dist. LEXIS 181385, at \*10 (C.D. Cal. Aug. 1, 2014) ("Even if an actual  
 9 controversy exists, a covenant not to sue can extinguish it so long as the covenant is  
 10 broad and unrestricted enough to make it 'absolutely clear [that] the allegedly  
 11 wrongful behavior [of the defendant] could not reasonably be expected to recur.'");  
 12 *Revolution Eyewear, Inc. v. Aspex Eyewear, Inc.*, Case No. CV 03-5965 PSG  
 13 (MANx), 2007 U.S. Dist. LEXIS 98687, at \*13 (C.D. Cal. Sep. 26, 2007)  
 14 ("Counter-Defendants have covenanted not to sue Defendants in the future for  
 15 products made, used or sold in the past and present, and this is sufficient to remove  
 16 any actual controversy in the present."). Thus, Endonovo also moves to dismiss  
 17 KVP's counterclaims without prejudice. Accordingly, Endonovo respectfully  
 18 requests that the Court grant this Motion to Dismiss all claims without prejudice  
 19 with each party to bear its own costs, expenses, and attorney's fees.

20 **V. CONCLUSION**

21 For the foregoing reasons, Endonovo respectfully requests that the Court  
 22 grant its motion to dismiss its claim for infringement without prejudice and  
 23 KVP's non-infringement and invalidity counterclaims without prejudice with  
 24 each party to bear its own costs, expenses, and attorney's fees.

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1 DATED: October 8, 2019

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**ELLROD, RAMIREZ, TRESTER LLP**

5 By: /s/Lewis E. Hudnell, III

6 Roland Tong

7 Lewis E. Hudnell, III

8 Attorneys for Plaintiff

9 ENDONOVO THERAPEUTICS, INC.

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ATTORNEYS AT LAW

## **CERTIFICATE OF SERVICE**

I hereby certify that on this 8<sup>th</sup> day of October, 2019, I electronically filed the foregoing **PLAINTIFF ENDONOVO'S MOTION TO DISMISS ALL CLAIMS WITHOUT PREJUDICE** with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following:

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